

SECTION 2

2.7 COST-SHARE FUNDS TRANSFER AND RE-ALLOCATION GUIDANCE

This document explains the processes for inter-county transfers of cost-share funds (“transfers”) and re-allocations of funds from the department reserve for NOD/NOI projects (“re-allocations”). Both these transactions do not involve an award of new money—just funding previously allocated to a particular county or a department reserve that is later being moved to another county or moved out of the reserve. In the case of transfers, counties have an opportunity to obtain additional funds by entering into private agreements with other counties, and in the case of re-allocations, by submitting, at designated times, a separate application for funding to cost-share NOD/NOI projects.

Both the transfer and re-allocation processes have three steps, which are largely the same except for the first step. The following provides step-by-step instructions for requesting a transfer using ARM-LWR-407 and re-allocation using ARM-LWR-434 (available at http://datcp.wi.gov/Environment/Land_and_Water_Conservation/SWRM_Grant_Program_Working_Manual/index.aspx), and explains the steps DATCP will follow in processing these requests. Both bond revenue and SEG funds may be transferred from one county to another, while only bond revenue funds are available through re-allocation. All transfers and re-allocations must be consistent with the rules for reviewing the allocation plan in ss. ATCP 50.28 and 50.34(5m), and any changes in allocation will be reflected in county’s grant contract as an amendment.

Instructions

Step 1. Initiating Transfers or Re-allocations

Arranging the Transfer and Completing the Transfer Agreement

- A county seeking additional cost-share grant funding (“Receiving County”) is responsible for identifying one or more counties (“Transferring County”) willing to transfer unused cost-share funds.
Note: DATCP does not play a role in facilitating the match between counties in need of funding and potential donor counties. Counties are responsible for securing permission from Land Conservation Committees to transfer or receive cost-share funds.
- The Receiving County certifies that it has made a commitment to use the transferred funds on one or more specific projects, and has the approval of its Land Conservation Committee to accept the transferred funds for cost-sharing on the specific projects.
- The Transferring County must certify it has an uncommitted portion of its cost-share allocation equal to, or greater than, the transfer requested.

Applying for Funding and Completing Re-allocation Form

- A county seeking cost-share grant funding for NOD/NOI projects must apply at designated times during the grant year following the steps for the competitive grant process on <http://dnr.wi.gov/Aid/NOD.html>
- A county is considered a “Receiving County” after it is selected to receive a grant award from the DATCP reserve set up to fund NOI/NOD projects. The grant recipient’s application is the county’s commitment to complete the project.

Arranging the Transfer and Completing the Transfer Agreement

- The Transferring and Receiving Counties must properly complete a transfer agreement using the most current DATCP approved form ARM-LWR-407. A properly completed form shall:
 1. List a dollar amount for the proposed transfer, rounded to the nearest whole dollar.
 2. Include the signatures of one of the following officials from both Transferring and Receiving Counties: LCC Chair, County Board Chair, County Executive.

Applying for Funding and Completing Re-allocation Form

- The Receiving County must initiate a re-allocation of funds by completing DATCP form ARM-LWR-434 sent by DATCP. A properly completed form shall:
 1. List a dollar amount for the proposed re-allocation, rounded to the nearest whole dollar.
 2. Include the signature of one of the following officials from the Receiving County. LCC Chair, County Board Chair, County Executive.

Step 2. Submission of Documentation and DATCP Approval

- Completed Transfer Agreements and Re-allocation Forms should be scanned and submitted electronically to DATCP for approval any time before **December 1th** of the grant year. Submissions beyond this deadline may be denied and returned to the counties submitting the agreements. Counties should retain the original signed documents in their files.
- DATCP will not process transfer or re-allocation requests if paperwork is incomplete. DATCP will contact participating counties to communicate information necessary to correct their submission. DATCP will not process any requests if counties fail to respond to complete their submissions.
- FOR TRANSFERS ONLY: Based upon its records, DATCP will check the Transferring County's balance to determine if adequate funds are available to meet the terms of the agreement. If funding is not adequate, the agreement will be automatically denied and returned to the counties submitting the agreement. DATCP's verification process does not include a determination as to whether funds have been committed by the Transferring County but not yet reimbursed by DATCP. In the event that a Transferring County is later found to have committed more funds than DATCP has allocated the county for the grant year, the county assumes the responsibility for making payments required by its cost-share contracts.
- FOR RE-ALLOCATIONS ONLY: DATCP requires an accurate cost estimate for a project before providing the county with the reallocation form (ARM-LWR-434). DATCP may request a draft of the cost-share contract to account for project costs.
- DATCP will use a streamlined process to secure the LWCB's recommendation regarding a proposed transfer or re-allocation, and to complete the internal steps required to approve the transaction.
- Upon approval, DATCP will notify the affected counties and attach copies of the approved documentation to the grant contracts of the counties involved (in the case of transfers this includes both Transferring and Receiving Counties), thereby amending the contracts, and provide a copy of the approved documentation to all counties involved.

- The Receiving County assumes full responsibility for cost-sharing practices included in a cost-share contract in the event cost-share dollars from transfer or re-allocation are inadequate to complete the project (e.g. due to cost overruns).
- In the event that a transfer or re-allocation is not approved, DATCP and the LWCB are not responsible for assisting counties in making new arrangements to secure funding to complete projects.

Step 3. Post-Approval

- Once approved, the Receiving County has these options for managing transferred or re-allocated funds:
 1. Extend unspent funds into the subsequent calendar year to complete the designated project, subject to s. ATCP 50.34(6).
 2. Use any unspent funds after the completion of the designated project on other projects. If the project is extended, unspent funds can only be used on other extended projects.
 3. Add other allocated cost-share funds to projects initially funded by transfers or re-allocations.
- DATCP will revise the annual allocation plan to reflect all approved transfers and re-allocations, and will prepare an accounting of all of these transactions in any given grant year by April of the year following that grant year.